



Canyon Fuel
Company, LLC.
Sufco Mine

A Subsidiary of Arch Western Bituminous Group, LLC.

C/041/002 Incoming

#3610

OK

Ken May, General Manager
597 South SR 24
Salina, UT 84654
(435) 286-4400 - Office
(435) 286-4499- Fax

August 23, 2010

Permit Supervisor
Utah Coal Regulatory Program
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P. O. Box 145801
Salt Lake City, Utah 84114-5801

Re: Construction of Sand and Salt Storage Bin Amendment, Canyon Fuel Company, LLC,
SUFCO Mine C/041/002

Dear Permit Supervisor:

The enclosed four redline copies of the Sand and Salt Storage Bin Amendment are being submitted for approval to construct a new conveyor and a sand and salt storage bin. Attached are DOGM forms C-1 and C-2, MRP Table 5-4 "Description of Existing Structures" pages 5-44 and 5-45, updated and new bond calculation sheets, and a surface facility map that shows the proposed location of construction activities.

Sufco is in the process of upgrading its lump coal circuit by placing a new conveyor off the stoker coal circuit that will convey lump coal into the bin that is currently used for sand and salt storage. A new sand and salt storage bin will be constructed adjacent to the current one. The lump coal conveyor will be constructed from structural steel with a concrete pad beneath it. The sand and salt storage bin will be constructed from concrete and will be identical to the current one. The new lump coal conveyor and sand and salt storage bin is within the current disturbed area of the mine and will not affect any runoff, vegetation, or topsoil.

This new construction will increase the concrete demolition yardage by 75 CY on the lump coal storage demolition bond calculation sheet (Page 20). A new bond sheet has been added for the lump coal conveyor (page 63). Updated Total and Total Demo Bond calculation sheets have been included. The additional bond cost estimate requirements for the proposed new lump coal conveyor and sand and salt storage bin construction is well within the present Sufco posted bond.

A map with the location of the proposed construction has been included. An updated and stamped version of Plate 5-2A, Detail of East Spring Canyon Surface Facilities, will be submitted once construction is completed.

Sufco would like approval of this amendment as soon as possible to start construction by October 1st of this year. If you have any questions or need additional information, please contact Leland Roberts at (435) 286-4483.

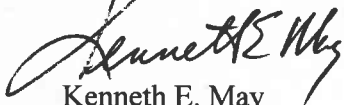
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DIV. OF OIL, GAS & MINING

Permit Supervisor
Utah Coal Regulatory Program
August 25, 2010
Page 2

Sincerely,
CANYON FUEL COMPANY, LLC
SUFCO Mine


Kenneth E. May
General Manager

Encl.

KEM/FLR:kb

cc: DOGM Price Field Office
DOGM Correspondence File

sufpub\govt2010\dogmmrp\MRP Salt Bin ltr.doc

APPLICATION FOR COAL PERMIT PROCESSING

Permit Change ☒ New Permit ☐ Renewal ☐ Exploration ☐ Bond Release ☐ Transfer ☐

Permittee: CANYON FUEL COMPANY, LLC

Mine: SUFCO MINE

Permit Number: C/041/0002

Title: Sand and Salt Storage Bin

Description, Include reason for application and timing required to implement:

A new conveyer for lump coal and a concrete sand and salt storage bin. Constuction start 10/1/2010

Instructions: If you answer yes to any of the first eight (gray) questions, this application may require Public Notice publication.

- ☐ Yes ☒ No 1. Change in the size of the Permit Area? Acres: _____ Disturbed Area: _____ ☐ increase ☐ decrease.
- ☐ Yes ☒ No 2. Is the application submitted as a result of a Division Order? DO# _____
- ☐ Yes ☒ No 3. Does the application include operations outside a previously identified Cumulative Hydrologic Impact Area?
- ☐ Yes ☒ No 4. Does the application include operations in hydrologic basins other than as currently approved?
- ☐ Yes ☒ No 5. Does the application result from cancellation, reduction or increase of insurance or reclamation bond?
- ☐ Yes ☒ No 6. Does the application require or include public notice publication?
- ☐ Yes ☒ No 7. Does the application require or include ownership, control, right-of-entry, or compliance information?
- ☐ Yes ☒ No 8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling?
- ☐ Yes ☒ No 9. Is the application submitted as a result of a Violation? NOV # _____
- ☐ Yes ☒ No 10. Is the application submitted as a result of other laws or regulations or policies?
Explain: _____
- ☐ Yes ☒ No 11. Does the application affect the surface landowner or change the post mining land use?
- ☐ Yes ☒ No 12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2)
- ☐ Yes ☒ No 13. Does the application require or include collection and reporting of any baseline information?
- ☐ Yes ☒ No 14. Could the application have any effect on wildlife or vegetation outside the current disturbed area?
- ☐ Yes ☒ No 15. Does the application require or include soil removal, storage or placement?
- ☐ Yes ☒ No 16. Does the application require or include vegetation monitoring, removal or revegetation activities?
- ☒ Yes ☐ No 17. Does the application require or include construction, modification, or removal of surface facilities?
- ☐ Yes ☒ No 18. Does the application require or include water monitoring, sediment or drainage control measures?
- ☒ Yes ☐ No 19. Does the application require or include certified designs, maps or calculation?
- ☐ Yes ☒ No 20. Does the application require or include subsidence control or monitoring?
- ☒ Yes ☐ No 21. Have reclamation costs for bonding been provided?
- ☐ Yes ☒ No 22. Does the application involve a perennial stream, a stream buffer zone or discharges to a stream?
- ☐ Yes ☒ No 23. Does the application affect permits issued by other agencies or permits issued to other entities?

Please attach four (4) review copies of the application. If the mine is on or adjacent to Forest Service land please submit five (5) copies, thank you. (These numbers include a copy for the Price Field Office)

I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein.

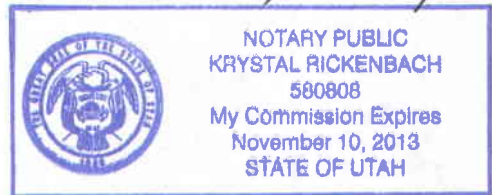
KENNETH E. MAY, MINE MANAGER
Print Name

Sign Name, Position, Date

Subscribed and sworn to before me this 26 day of August, 2010

Krystal Rickenbach
Notary Public

My commission Expires: _____, 20____ }
Attest: State of _____ } ss:
County of _____



For Office Use Only:

Assigned Tracking
Number:

Received by Oil, Gas & Mining

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TABLE 5-4

Description of Existing Structures

Structure	Construction Date	Construction Materials
Ambulance Garage	Summer 2007	Pre-Engineered Steel
Belt Deicer Tank	Fall 1994	Steel
Bulk & Used Oil Storage	Fall 1977 / Fall 2004	Steel & Concrete
Cap Magazine	Summer 1982	Steel & Wood
Chlorinator Building	Summer 1979	Steel
Covered Storage	Summer 1979	Concrete Block
Diesel Tank	Fall 1996	Steel & Concrete
Drainage Culverts	Summer 1976	Steel
Electrical Building	Summer 1977	Concrete Block
Fan	Winter 1980	Structural Steel
Fire Water Tank - 300,000	Spring 2002	Steel & Concrete
Fuel Dock	Summer 1976	Concrete
Guard House	Summer 1977	Wood
Load-Out Belt	Summer 1975	Structural Steel
Lower Stacker Coal Storage	Summer 1975	Structural Steel
Lump Coal Belt	Fall 2010	Structural Steel
Lump Coal Storage	Fall 1981, Fall 1982	Concrete
No. 1 Belt	Fall 1977	Structural Steel
Office Building	September 1973 / 1990 / 2006	Pre-Engineered Steel
Powder Magazine	Summer 1982	Steel and Wood
Pulley Racks	Summer 1991	Steel
Pump Houses	Summer 1967 and 1975	Wood Frame & Metal
Rock Dust Bin	Fall 1976, Summer 1982	Structural Steel

TABLE 5-4 (Continued)

Description of Existing Structures

Structure	Construction Date	Construction Materials
ROM Coal Storage	Winter 1988	Struct. Steel/Concrete
ROM MCC Building	Winter 1988	Concrete Block
Sampler Building	Fall 2003	Structural Steel
Sand & Salt Storage	Fall 1982 Fall 2010	Concrete
Seal Portals		Concrete
Sediment Trap	Summer 1979	Concrete
Septic Tanks	Summer 1976 / Summer 2006	Steel / Concrete
Shelves	Summer 1990	Steel
Shop Garage	Summer 1989	Pre-Engineered Steel
Shop Office	Summer 1977	Wood
Side Release Tank	Fall 1997	Steel
Steam Cleaner Building	Fall 1981	Concrete
Stoker Belt	Fall 1977	Structural Steel
Stoker Bin	Fall 1977	Structural Steel
Stoker Coal Storage	Fall 1982	Concrete
Stoker Oil Tanks	Fall 1977 / Fall 2004	Steel & Concrete
Storage Trailers	1975	Wood & Aluminum
Substation - Lower	Fall 1991 / Fall 2006 -2007	Steel /Concrete / Binwall
Ticket Printers	Summer 1996	Steel
Tipple Building	Fall 1977 / Mod. Fall 2008	Structural Steel & Concrete
Tipple MCC Building	Summer 2005	Concrete Block
Tipple Office Building	Fall 1977	Concrete Block

Bonding Calculations

Direct Costs

Subtotal Demolition and Removal	\$1,074,000.00
Subtotal Backfilling and Grading	\$548,005.00
Subtotal Revegetation	\$171,967.00
Direct Costs	\$1,793,972.00

Indirect Costs

Mob/Demob	\$179,397.00	10.0%
Contingency	\$89,699.00	5.0%
Engineering Redesign	\$44,849.00	2.5%
Main Office Expense	\$121,990.00	6.8%
Project Mainagement Fee	\$44,849.00	2.5%
Subtotal Indirect Costs	\$480,784.00	26.8%

Total Cost	\$2,274,756.00
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Escalation factor	0.005
Number of years	4
Escalation	\$45,837.00

Reclamation Cost Escalated	\$2,320,593.00
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Bond Amount (rounded to nearest \$1,000) 2009 Dollars	\$2,321,000.00
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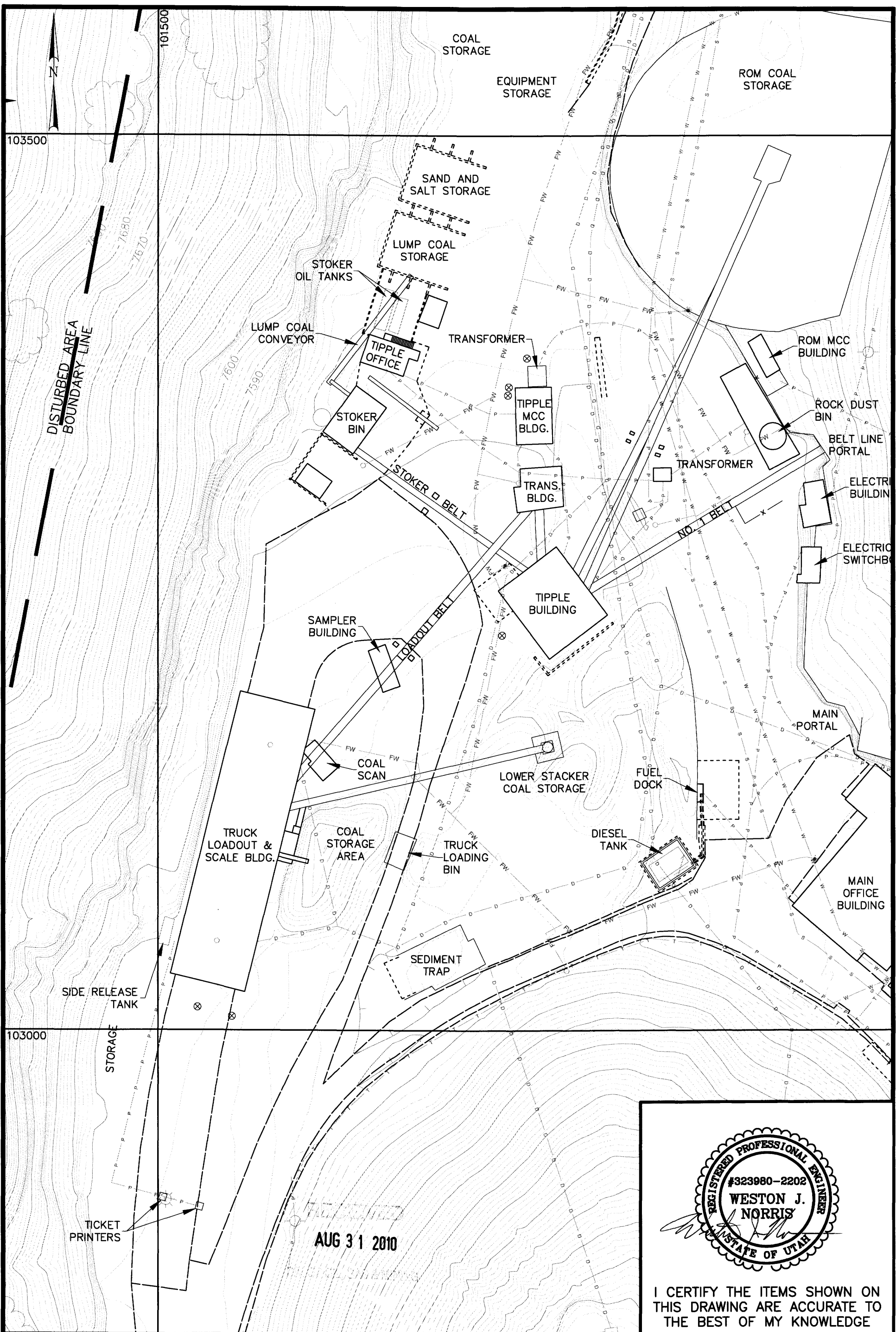
Posted Bond	\$4,439,000.00
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Difference Between Cost Estimate and Bond Percent Difference	\$2,118,000.00 47.71%
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Ref.	Description	Materials	Means Reference Number	Unit	Length	Width	Height	Diameter	Area	Volume	Weight	Density	Time	Number	Unit	Swell Factor	Quantity	Unit	Cost
	Ambulance Garage																		\$2,504.00
	Belt Deicer Tank																		\$13.00
	Blast Channels A																		\$143,211.00
	Blast Channels B																		\$53,488.00
	Bulk and Used Oil Storage																		\$1,518.00
	Cap Magazine																		\$22.00
	Chlorinator Bld																		\$18.00
	Covered Storage																		\$17,169.00
	Diesel Tank																		\$995.00
	Drainage Culverts																		\$15,944.00
	Electrical Bld																		\$602.00
	Fan																		\$7,781.00
	Fire Water Tank 300000 Gal																		\$11,126.00
	Fuel Dock																		\$928.00
	Guard House																		\$348.00
	Leadout Belt																		\$2,593.00
	Lower Stacker Coal Storage																		\$2,148.00
	Lump Coal Belt																		\$533.00
	Lump Coal Storage																		\$2,215.00
	No 1 Belt																		\$3,404.00
	Office Building																		\$67,377.00
	Pavement Removal																		\$29,153.00
	Powder Magazine																		\$22.00
	Pulley Racks																		\$3,040.00
	Pump Houses																		\$972.00
	Riprap Filter Fabric																		\$259,568.00
	Rock Dust Bin																		\$3,557.00
	ROM Coal Storage																		\$21,139.00
	ROM MCC Bld																		\$1,022.00
	Sampler Building																		\$991.00
	Sand and Salt Storage																		\$1,516.00
	Seal Ponds																		\$62,400.00
	Sediment Trap																		\$1,533.00
	Septic Tanks																		\$0.00
	Shelves																		\$3,763.00
	Shop and Warehouse																		\$80,022.00
	Shop Garage																		\$11,941.00
	Shop Office																		\$2,322.00
	Side Release Tank																		\$1,111.00
	Steam Cleaner Building																		\$11,104.00
	Stoker Belt																		\$6,165.00
	Stoker Bin																		\$6,626.00
	Stoker Coal Storage																		\$1,539.00
	Stoker Oil Tanks																		\$1,266.00
	Storage Trailers																		\$72,822.00
	Substation Lower*																		\$69.00
	Substation Upper*																		\$36,104.00
	Ticket Printers																		\$2,759.00
	Tipple Building																		\$3,161.00
	Tipple MCC Building																		\$10,303.00
	Tipple Office Building																		\$542.00
	Transfer Building																		\$1,895.00
	Trash Pit																		\$26,352.00
	Truck Loader Bin																		\$0.00
	Truck Scale																		\$0.00
	Water Tank Upper																		\$8,042.00
	Water Tank Lower																		\$39,150.00
	Link Canyon Facilities																		\$2,591.00
	Link Canyon Portals																		\$18,066.00
	Link Canyon Substation																		
	Fourth East Substation																		
	Fourth East Facilities																		
	Fan Generator Building																		
	Four East Fan																		
	Total																		\$1,074,000.00

Ref.	Description	Materials	Means Reference Number	Unit Cost	Unit	Length	Width	Height	Diameter	Area	Volume	Weight	Density	Time	Number	Unit	Swell Factor	Quantity	Unit	Cost
	Lump Coal Storage																			
	Structure's Demolition Cost																			
	Structure's Vol. Demolished																			
	Rubble's Weight (exclude steel)																			
	Truck's Capacity																			
	Haulage																			
	Transportation Cost Non Steel Truck																			
	Transportation Cost Non Steel Drive																			
	Disposal Cost Non Steel																			
	Steel's Weight																			
	Truck's Capacity																			
	Haulage																			
	Transportation Cost Steel Truck																			
	Transportation Cost Steel Truck Drive																			
	Disposal Cost Steel																			
	Subtotal																			
	Equipment's Disposal Cost																			
	Dismantling Cost																			
	Equipment's Vol. Demolished																			
	Loading Costs																			
	Transport Costs																			
	Disposal Costs																			
	Subtotal																			
	Concrete Demolition																			
	Demolition Cost																			
	Concrete's Vol. Demolished																			
	Loading Cost																			
	Transportation Cost																			
	Disposal Costs																			
	Subtotal																			
	Concrete Demolition																			
	Demolition Cost																			
	Concrete's Vol. Demolished																			
	Loading Cost																			
	Transportation Cost																			
	Disposal Costs																			
	Subtotal																			
	Concrete Demolition																			
	Demolition Cost																			
	Concrete's Vol. Demolished																			
	Loading Cost																			
	Transportation Cost																			
	Disposal Costs																			
	Subtotal																			
	Total																			

Ref.	Description	Materials	Means Reference Number	Unit Cost	Unit	Length	Width	Height	Diameter	Area	Volume	Weight	Density	Time	Number	Unit	Swell Factor	Quantity	Unit	Cost
	Lump Coal Belt																			
	Structure's Vol. Demolished	Steel Bld. Large	02220 110 0012	0.2 /CF		80	4	3								FT		960 CF		192
	Structure's Vol. Demolished																0.1	4	CY	
	Rubble's Weight (exclude steel)																			
	Truck's Capacity																			
	Haulage																			
	Transportation Cost Non Steel Truck																			
	Transportation Cost Non Steel Drive																			
	Disposal Cost Non Steel																			
	Steel's Weight																			
	Truck's Capacity										16				3	CY			0 Trips	
	Haulage															Trip/Day			0 DAY	0
	Transportation Cost Steel Truck	Truck dump 16 ton payload	01590 200 5300	435.96 /day															0 HR	0
	Transportation Cost Steel Truck Drive	Truck Driver, Heavy	Triv	\$42.00	HR															
	Disposal Cost Steel																			
	Subtotal																			192
	Equipment's Disposal Cost																			
	Dismantling Cost																			
	Equipment's Vol. Demolished																			
	Loading Costs																			
	Transport Costs																			
	Disposal Costs																			
	Subtotal																			
	Concrete Demolition																			
	Demolition Cost																			
	Concrete's Vol. Demolished																			
	Loading Cost																			
	Transportation Cost																			
	Disposal Costs																			
	Subtotal																			
	Concrete Demolition	Concrete demolition	ConcreteDemo1	3.97 /CY							17.07					CY		1.3	17 CY	67
	Demolition Cost																			
	Concrete's Vol. Demolished		02315 424 1300	1.39 /CY															22 CY	31
	Loading Cost	Front end loader 3 CY	02315 490 0320	3.44 /CY															22 CY	76
	Transportation Cost	12 CY (16 Ton) Dump Truck 1/2 mi. ind. trip	02220 240 5550	7.6 /CY															22 CY	167
	Disposal Costs	On site disposal																		
	Subtotal																			341
	Concrete Demolition																			
	Demolition Cost																			
	Concrete's Vol. Demolished																			
	Loading Cost																			
	Transportation Cost																			
	Disposal Costs																			
	Subtotal																			
	Total																			533



AUG 31 2010

REGISTERED PROFESSIONAL ENGINEER
#323980-2202
WESTON J. NORRIS
STATE OF UTAH

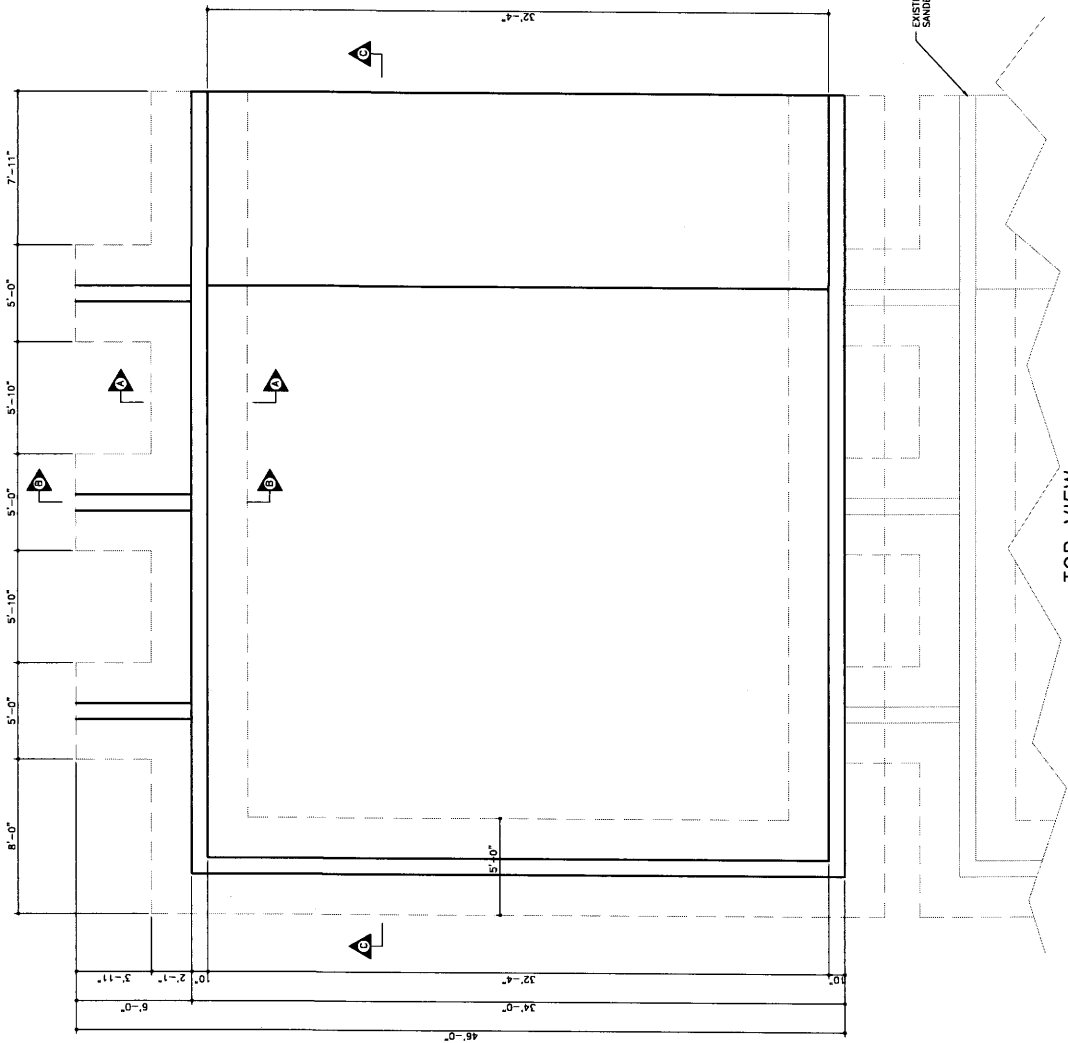
I CERTIFY THE ITEMS SHOWN ON THIS DRAWING ARE ACCURATE TO THE BEST OF MY KNOWLEDGE



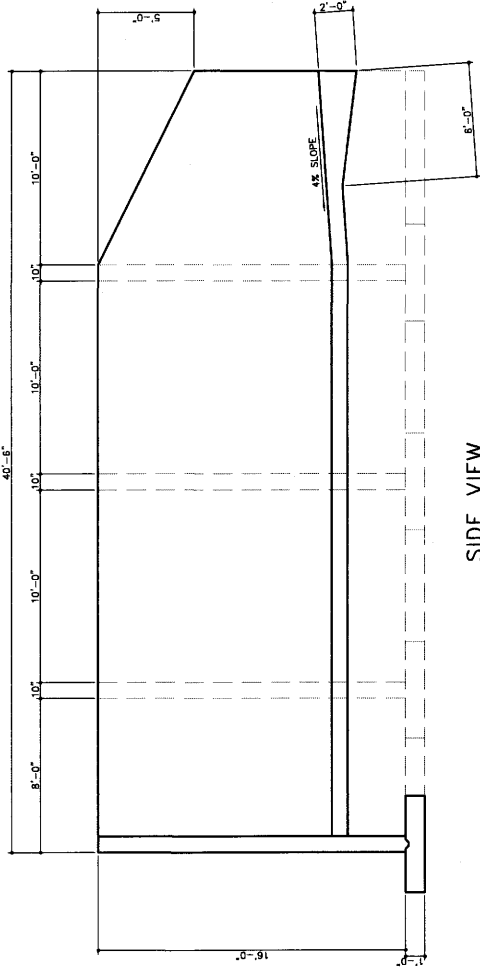
Canyon Fuel Company, LLC
SUFco Mine
597 South SR 24 - Salina, UT 84654
(435) 286-4880 Phone
(435) 286-4499 Fax

Sufco Mine - Proposed		
Sand & Salt Storage Bin Exhibit		
SCALE: 1" = 50'	DATE: 08/25/2010	DRAWN BY: K.B.B.
ENGINEER: W.J.N.	CHECKED BY: F.L.R.	
FILE NAME: H:\DRAWINGS\MRP\PLATES\PLATE5-2Av17.dwg		

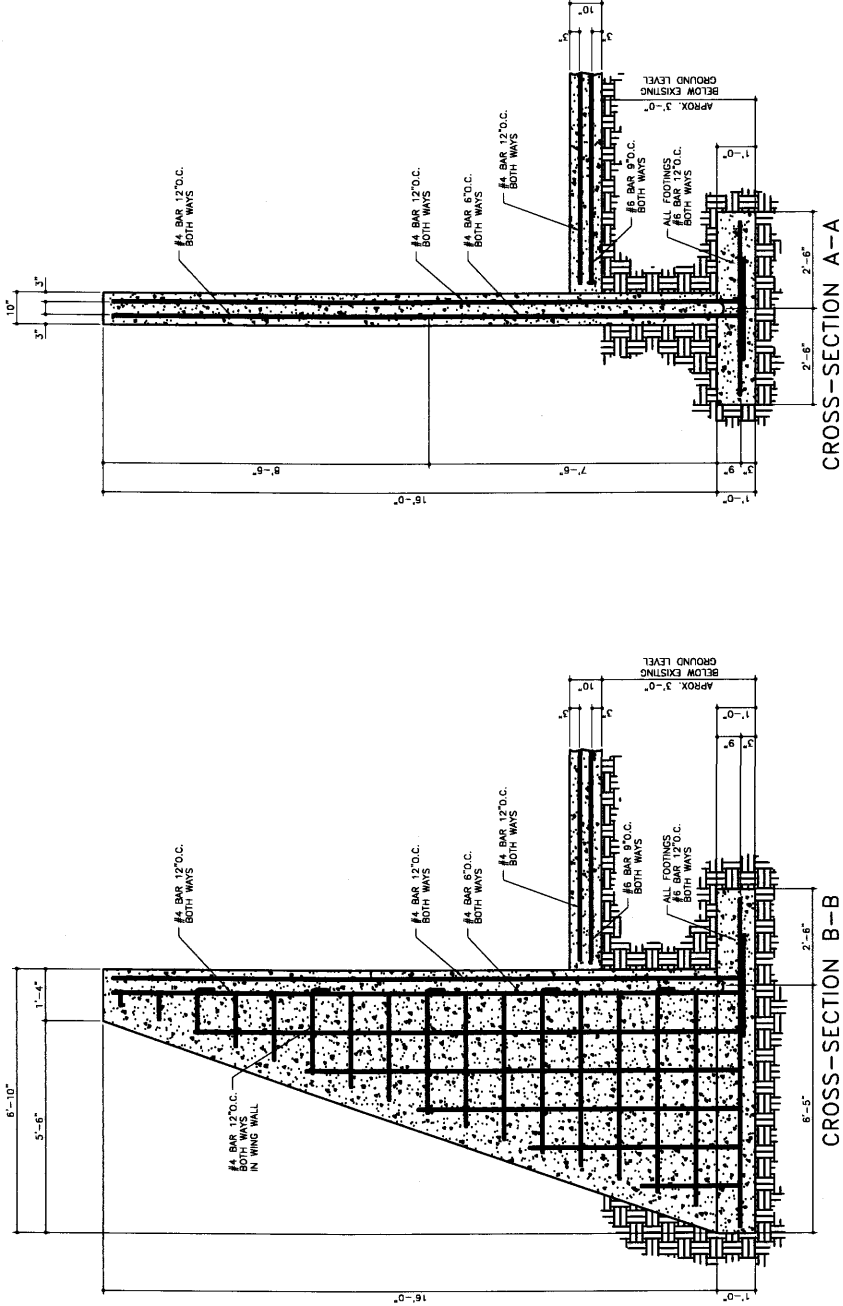
SHEET NO.
1



TOP VIEW



SIDE VIEW



NOTES:

- 1- CONCRETE TYPE II CEMENT CLASS AA (M5) 6.5 BAG.
- 2- ALL REINFORCING STEEL TO BE EPOXY-COATED WITH THE ENDS PAINTED OR DIPPED WHEN CUT.
- 3- ALL REINFORCING STEEL DOWELS TO EXTEND A MINIMUM OF 24 INCHES.
- 4- ONE INCH CHAMFER ON FRONT AND TOP EDGES OF WALLS.

AUG 31 2010



Canyon Fuel Company, LLC
SUFCO Mine
597 South SR 24 - Salina, UT 84654
(435) 286-4880 Phone
(435) 286-4499 Fax

PROPOSED NEW SAND AND SALT STORAGE BIN

SCALE: 1" = 2'
DATE: 08/24/2010
DRAWN BY: SKS
ENGINEER: WJN
CHECKED BY: WJN
FILE NAME: H:\DRAWINGS\TIPPLE\NEW-SANDBIN.DWG

SHEET NO.

1